

REMARKS

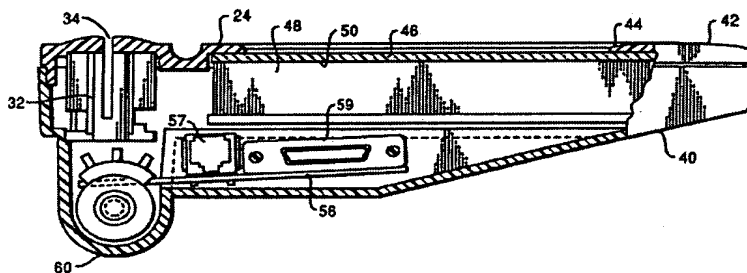
Claims 44-115 are rejected under 35 U.S.C. §103(a) as being unpatentable over U. S. Patent No. 5,297,202 to Kapp ("Kapp") in view of U. S. Patent No. 6,065,679 to Levie ("Levie").

Briefly, the present application was subject to a final rejection in an Office action of June 6, 2006. In that action, U. S. Patent No. 5,297,202 to Kapp et al. ("Kapp") was cited as a primary reference against claims 44-99. Further, claim 70 reciting a "detachable stylus holder" related feature was rejected over Kapp in view of subject matter asserted to be "well known" as alleged evidenced by U. S. Patent No. 6,779,196 to Igbinadolor ("Igbinadolor").

A telephone interview was conducted August 17, 2006 between Examiner Fritz Alphonse and applicants' representative George Blasiak. In that telephone interview, the Examiner and applicants' representative agreed that certain elements of Kapp alleged to be related elements of Kapp were pointed upwardly and downwardly.

Specifically Fig. 2 of Kapp is as follows:

FIG. 2



In the final Office action of June 6, 2006, the Examiner alleged that element 60 of Kapp Fig. 2 above constituted an outwardly extending lip. In the telephone interview the Examiner further explained that element 60 in combination with element 34 of Kapp

formed a circumferential lip. However, in the telephone interview the Examiner also conceded that elements 34 and 60 do not extend forwardly or sideward but rather, clearly extend upwardly and downward respectively, relative to a top surface. In the telephone interview, based on the concession by the Examiner, the applicants' representative suggested amendments to certain claims which would distinguish lip related features of various of applicants' claims over Kapp which would distinguish applicants' lip related features by calling out certain directional elements of lip related features of applicants' claimed apparatus as claimed in various claims. In the telephone interview the Examiner indicated that the Examiner would consider allowing the application if such amendments were made to the claims. The Examiner and the applicants' representative also discussed the citation of Igbinadolor as against claim 7. During the telephone interview the Examiner conceded that Igbinadolor does not teach any apparatuses in an environment of a point of sale apparatus. The Examiner also admitted that applicants' interpretation of Igbinadolor -- that the relied upon section teaches a merely detachable stylus and not a detachable holder for a stylus -- is plausible.

In a response accompanying a Request for Continued Examination ("RCE") dated September 6, 2006, applicants' submitted amendments and remarks consistent with suggested amendments and arguments of the August 17, 2006 telephone interview. However, rather than being allowed, a nonfinal Office action dated October 10, 2006 was rendered. Applicants now respond to the nonfinal Office action dated October 10, 2006.

According to the *MPEP* §2143, three basic criteria must be met to establish a *prima facie* case of obviousness. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the

reasonable expectation of success must both be found in the prior art, not in applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991)

Regarding claims 44, 64, 70, 78, 89, and 95, applicants respectfully assert that the Examiner has not demonstrated that the cited prior art reference alone or in combination teach of the elements of the claim; and accordingly, applicants respectfully assert that the Examiner has not established a *prima facie* case of obviousness as to claims 44, 64, 70, 78, 89, and 95.

Regarding claim 44, claim 44 recites in combination with numerous additional elements relating to a housing further defining a slot of a card reader unit and further including a circumferential lip extending at least one of outwardly sideward or outwardly forward. In analyzing the Examiner's October 10, 2006 Office action, the closest reference applicants can discern relative to the to the above highlighted combination of element is the Examiner's statement that Kapp includes "a circumferential lip (60) extending outwardly from said base..." (*October 10, 2006 Office Action*, p. 3). However, applicants cannot find in any of the Examiner's assertions a reference to a housing further defining a slot of said card reader unit and further including a circumferential lip extending at least one of outwardly sideward or outwardly forward as recited in claim 44 in combination with numerous additional elements. Accordingly, at least for the noted reason, it appears that the Examiner has not established and has not even alleged that the relied upon prior art has all of the elements of claim 44. For there to be established a *prima facie* case of obviousness, a prior art reference (or references when combined) must teach or suggest *all* of the claim limitations (emphasis added). If the Examiner wishes to maintain the rejection of claim 44 relying on the teachings of Kapp, the Examiner is respectfully expected to explain where in Kapp there is teaching or suggestion of a housing further defining a slot of said card reader unit and further including a circumferential lip extending at least one of outwardly sideward or outwardly forward in combination with the remaining elements as specifically recited in claim 44, where the Examiner has previously acknowledged that the alleged related elements of Kapp extends downward and upward and not sideward or forward.

Regarding claim 64, claim 64 recites in combination with numerous additional elements relating to a housing further including a base and an enlarged head portion, said enlarged head portion having a top surface, said enlarged head portion extending at least one of sideward or forward from said base. In analyzing the Examiner's October 10, 2006 Office action the closest reference applicants can discern relative to the above highlight combination of element is the Examiner's statement that Kapp includes "a circumferential lip (60) extending outwardly from said base..." (*October 10, 2006 Office Action*, p. 3). However, applicants cannot find in any of the Examiner's assertions a reference to a housing further including a base and an enlarged head portion, said enlarged head portion having a top surface, said enlarged head portion extending at least one of sideward or forward from said base as recited in claim 64 in combination with numerous additional elements. Accordingly, at least for the noted reason, it appears that the Examiner has not established and has not even alleged that the relied upon prior art has all of the elements of claim 64. For there to be established a *prima facie* case of obviousness, a prior art reference (or references when combined) must teach or suggest *all* of the claim limitations (emphasis added). If the Examiner wishes to maintain the rejection of claim 64 relying on the teachings of Kapp, the Examiner is respectfully expected to explain where in Kapp there is teaching or suggestion of a housing further including a base and an enlarged head portion, the enlarged head portion having a top surface, said enlarged head portion extending at least one of sideward or forward from said base as specifically recited in claim 64, where the Examiner has previously acknowledged that the alleged related elements of Kapp extends downward and upward and not sideward or forward.

Regarding claim 78, claim 78 recites in combination with numerous additional elements relating to a housing further defining a slot of said insert style card reader unit and further including a circumferential lip extending outwardly from said base, the circumferential lip extending at least one of sideward or forward from said base. In analyzing the Examiner's October 10, 2006 Office action, the closest reference applicants can discern relative to the to the above highlight combination of elements is the Examiner's statement that Kapp includes "a circumferential lip (60)

extending outwardly from said base..." (*October 10, 2006 Office Action, p. 3*).

However, applicants cannot find in any of the Examiner's assertions a reference to a housing further defining said slot of said insert style card reader unit and further including a circumferential lip extending outwardly from said base, the circumferential lip extending at least one of sideward or forward from said base as recited in claim 78 in combination with numerous additional elements. Accordingly, at least for the noted reason, it appears that the Examiner has not established and has not even alleged that the relied upon prior art has all of the elements of claim 78. For there to be established a *prima facie* case of obviousness, a prior art reference (or references when combined) must teach or suggest *all* of the claim limitations (emphasis added). If the Examiner wishes to maintain the rejection of claim 78 relying on the teachings of Kapp, the Examiner is respectfully requested to explain where in Kapp there is teaching or suggestion of a housing further defining a slot of an insert style card reader unit and further including a circumferential lip extending outwardly from said base, the circumferential lip extending at least one of sideward or forward from said base as specifically recited in claim 78, where the Examiner has previously acknowledged that the alleged related elements of Kapp extends downward and upward and not sideward or forward.

Regarding claim 89, claim 89 recites in combination with numerous additional elements elements relating to a housing further defining a slot of an insert style card reader unit and further including a circumferential lip extending outwardly from said base, said circumferential lip extending at least one of sideward or forward from said base. In analyzing the Examiner's October 10, 2006 Office action, the closest reference applicants can discern relative to the to the above highlight combination of elements is the Examiner's statement that Kapp includes "a circumferential lip (60) extending outwardly from said base..." (*October 10, 2006 Office Action, p. 3*). However, applicants cannot find in any of the Examiner's assertions a reference to a housing further defining said slot of said insert style card reader unit and further including a circumferential lip extending outwardly from said base, the circumferential lip extending at least one of sideward or forward from said base as recited in claim 89 in

combination with numerous additional elements. Accordingly, at least for the noted reason, it appears that the Examiner has not established and has not even alleged that the relied upon prior art has all of the elements of claim 89. For there to be established a *prima facie* case of obviousness, a prior art reference (or references when combined) must teach or suggest *all* of the claim limitations (emphasis added). If the Examiner wishes to maintain the rejection of claim 89 relying on the teachings of Kapp, the Examiner is respectfully requested to explain where in Kapp there is teaching or suggestion of a housing further defining a slot of said insert style card reader unit and further including a circumferential lip extending outwardly from said base, said circumferential lip extending at least one of sideward or forward from said base as specifically recited in claim 89, where the Examiner has previously acknowledged that the alleged related elements of Kapp extends downward and upward and not sideward or forward.

Regarding claim 95, claim 95 recites in combination with numerous additional elements elements relating to a housing further defining a slot of said insert style card reader unit and further including a circumferential lip extending outwardly from said base, said circumferential lip extending at least one of sideward or forward from the base. In analyzing the Examiner's October 10, 2006 Office action, the closest reference applicants can discern relative to the to the above highlight combination of elements is the Examiner's statement that Kapp includes "a circumferential lip (60) extending outwardly from said base..." (*October 10, 2006 Office Action, p. 3*). However, applicants cannot find in any of the Examiner's assertions a reference to a housing further defining said slot of said insert style card reader unit and further including a circumferential lip extending outwardly from said base, the circumferential lip extending at least one of sideward or forward from said base as recited in claim 95 in combination with numerous additional elements. Accordingly, at least for the noted reason, it appears that the Examiner has not established and has not even alleged that the relied upon prior art has all of the elements of claim 95. For there to be established a *prima facie* case of obviousness, a prior art reference (or references when combined) must teach or suggest *all* of the claim limitations (emphasis added). If the Examiner

wishes to maintain the rejection of claim 95 relying on the teachings of Kapp, the Examiner is respectfully requested to explain where in Kapp there is teaching or suggestion of a housing further defining said slot of said insert style card reader unit and further including a circumferential lip extending outwardly from said base, the circumferential lip extending at least one of sideward or forward from said base as specifically recited in claim 95, where the Examiner has previously acknowledged that the alleged related elements of Kapp extends downward and upward and not sideward or forward.

Regarding claim 70, claim 70 recites in combination with numerous additional elements a card reader unit and a "a detachable stylus holder, said holder being detachably received on said housing." In the Office action of October 10, 2006, the Examiner asserts that the detachable stylus holder elements of claim 70 is "well known" as evidenced by the following passage of Igbinadolor:

Refer now to FIG. 13 for explaining numerals 40-42 in the several views of FIG. 1 wherein reference numeral 40 is an electronic pen/stylus herein referred to as STYLUS attached to a detachable/affix stylus holder conveniently located to the left side of the unit electronic compartment frame. Reference numeral 41 is a perspective label of a manufacturers log inscription shown herein as inventors log for explaining designated location of log. Reference numeral 42 is a preferred log inscription herein referred to as PRODUCT LOGO of the device of the present invention. *U. S. Patent No. 6,779,196, column 5, lines 58-67.*

Applicants respectfully assert that the above passage of Igbinadolor refers not to a detachable stylus holder as referenced in claim 70 but to a detachable stylus. The reference to a "detachable/affix stylus holder" in the above passage, applicants assert, is a reference to the stylus's capacity to be detached, not to the holder's capacity to be detached. In the telephone interview of August 17, 2006, the Examiner conceded that applicants' proposed interpretation of the above passage of Igbinadolor is plausible. If the Examiner wishes to maintain the Examiner's reliance on Igbinadolor for the detachable holder element of claim 70, the Examiner is respectfully requested to explain why the passage is a teaching relating to a holder that can be detached and not to a stylus that can be detached as applicants assert.

Moreover, even if Igbinadolor did teach or suggest a detachable holder element, (which it does not) the Examiner's rejection of claim 70 would still not qualify as an establishing of a *prima facie* case of obviousness as to claim 70. In order for there to be established a *prima facie* case of obviousness, an Examiner must present a "convincing line of reasoning" for there to be a motivation to combine references or modify a reference.

Applicants cannot find in the Office action of October 10, 2006 a convincing line of reasoning presented for there to be a motivation to modify Kapp to include a detachable stylus holder as recited in claim 70. In the Office action the following is the Examiner's statement in support of there being a motivation to modify Kapp to provide a detachable stylus holder:

As to claim 70, the claim differs from claim 44 by the additional limitation "a detachable stylus holder detachable received on said housing." However, the limitation is obvious and well known in the art, as evidenced by Igbinadolor (fig. 13; col. 5 lines 58-65). Therefore, it would have been obvious to a person of ordinary skill in the art, at the time of the invention to use a detachable stylus holder in order to further enhance functionality and ease of use of Kapp's device. *October 10, 2006 Office Action, page 3.*

The above statement by the Examiner that the modification involved further enhances functionality and ease of use of Kapp's device cannot reasonably be taken as presenting of a convincing line of reasoning for there to be motivation to modify Kapp. Applicants observe that Examiner's proposed rationale for there being motivation to modify (that the modification would enhance functionality and ease of use) could in theory be cited by any Examiner in justifying any modification of any reference. If a court of competent jurisdiction were to hold the Examiner's rationale for there being a motivation to modify Kapp a satisfactory establishing of a motivation to modify, than a legal precedent would be established whereby any Examiner could establish motivation to modify any reference simply by alleging that the modification would enhance functionality and ease of use. If the Examiner wishes to maintain the rejection of claim 70 over Kapp and Igbinadolor, the Examiner is respectfully requested to present a more substantial rationale for there being motivation to modify Kapp rather than simply alleging that a modification would enhance functionality and ease of use.

In addition to the above the Examiner has conceded at the August 17, 2006 telephone interview that Igbinadolor makes no reference in its teaching relating to applicability in a point of sale environment.

The Examiner's failure to present a convincing line of reasoning as to why a skilled artisan would be motivated to modify Kapp in accordance with the detachable holder element of Kapp to together with the Examiner's concession that Kapp has no relationship to point of sale apparatus evidence that there is no motivation to modify Kapp to include a detachable holder element as recited in claim 70.

Applicants note that the Examiner continues to rely on official notice in substantively several of the rejections. For example, relative to claims 83-85, the Examiner states:

As to claims 83-85, Kapp does not explicitly disclose a transaction terminal, wherein the first sideward extending lip extends at least about 0.25 inch or 0.50 inch or 0.75 inch from said base. However, using a sideward extending lip extends at least about 0.25 inch or 0.50 inch or 0.75 inch represents a design choice. *October 10, 2006 Office Action, page 6.*

Official notice without documentary evidence to support an Examiner's conclusion is permissible only in some circumstances. While "official notice" may be relied on, these circumstances should be rare when an application is under final rejection or action under 37 C.F.R. §1.13. Official notice unsupported by documentary evidence should only be taken by the Examiner where the facts asserted to be well-known, or to be common knowledge in the art are capable of instant and unquestionable demonstration as being well-known. As noted by the court *In re Ahlert*, 424 F.2d 1088, 1091, 165 USPQ 418, 420 (CCPA 1970), the notice of facts beyond the record which may be taken by the Examiner must be "capable of such instant and unquestionable demonstration as to defy dispute" (citing *In re Knapp Monarch Co.*, 296 F.2d 230, 132 USPQ 6 (CCPA 1961)).

If the Examiner wishes to maintain the rejections of claims rejected based on Official Notice, the Examiner is respectfully requested to provide documentary evidence in support of the various assertions of common knowledge. *MPEP §2144.03(A)*. In providing such evidence, the Examiner is respectfully requested to make reference to the specific combinations of elements of applicants' claims (and not merely the elements of the dependent claims without reference to the elements of the base claim). The Examiner is also respectfully requested to set forth explicitly the reasons for the various rejections based on Office Notice. *See MPEP §2144.03(B)*. The Examiner must provide specific factual findings predicated on sound technical and scientific reasoning to support his or her conclusion of common knowledge. *MPEP §2144.03(B)*. It would not be appropriate for the Examiner to take Official Notice of facts without citing a prior art reference where the facts asserted to be well known are not capable of instant and unquestionable demonstration as being well known. *MPEP §2144.03(A)*.

Several rejections are believed to be improperly made. For example, as to claims 44, 64, and 70, the Examiner states "as to claims 44, 64, 70..."

As to claim 95, the Examiner states:

As to claim 95, the claim has substantially the limitations of claim 44; therefore, it is analyzed as previously discussed in claim 44 above. *October 10, 2006 Office Action, page 5.*

The above rejections are believed to be improper as "improperly expressed rejections" in the form of an omnibus rejection as prohibited by *MPEP §707.07(d)*. Specifically, according to the *MPEP §707.07(d)*, Improperly Expressed Rejections, an omnibus rejection of the claim "on the references and for the reasons of record" should be avoided and a plurality of claims *should never be grouped together* in a common rejection, unless that rejection is equally applicable to all claims in the group. (emphasis added) Contrary to this provision of the MPEP, the Examiner presents the rejection of claims 44, 64, and 70 as a single group. If the Examiner wishes to maintain the rejection of claims 44, 64, 70, and 95 as a single group, the Examiner is respectfully requested to explain why the Examiner believes that the limitations of claims 44, 64, 70,

and 95 are the same so as to justify the finding of the Examiner that a common rejection applies equally to each claim.

Regarding the claims discussed herein, the applicants' selective treatment and emphasis of independent claims of the application should not be taken as an indication that the applicants believe that the Examiner's dependent claim rejections are otherwise sufficient. In fact, it is noted in the October 10, 2006 Office action, that the dependent claims are rejected without substantial, and in certain instances, without any reference to the limitations of the dependent claims in combination with the base claim elements. Applicants expressly reserve the right to present arguments traversing the propriety of the dependent claim rejections later in the prosecution of this or another application.

While the applicants herein may have highlighted a particular claim element of one or more claims for purposes of demonstrating an insufficiency of an examination on the part of an Examiner, the applicants highlighting of a particular claim element for such purpose should not be taken to indicate that the applicants have taken the position that a particular claim element constitutes the sole basis for patentability out of the context of the various combinations of elements of the claim or claims in which it is present.

Relative to each claim where a particular claim element may have been highlighted, applicants note that they maintain the right to assert that any patentable combination of elements recited in each such claims renders each such claim patentable.


Accordingly, in view of the above amendments and remarks, applicants believe all of the claims of the present application to be in condition for allowance and respectfully request reconsideration and passage to allowance of the application.

If the Examiner believes that contact with applicants' attorney would be advantageous toward the disposition of this case, the Examiner is herein requested to call applicants' representative at the phone number listed below.

The Commissioner is hereby authorized to charge any additional fees associated with this communication or credit any overpayment to deposit Account No. 50-0289.

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Respectfully submitted,

By 

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